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**POLITEIA**  
(Limited by Guarantee)

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**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED**  
**30 NOVEMBER 2001**



The following reproduces the text of the accountants' report in respect of the company's annual financial statements, from which the abbreviated accounts (set out on pages 2 to 4) have been prepared.

**ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE  
UNAUDITED FINANCIAL STATEMENTS OF POLITEIA**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 30 November 2001 set out on pages 3 to 8 and you consider that the company is exempt from an audit under section 249A(1) of the Companies Act 1985.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records of the company and from information and explanations supplied to us.



**Alan Sacks + Co**

Chartered Accountants

*6 August 2002*

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**ABBREVIATED BALANCE SHEET**  
As at 30 November 2001

	Note	30 November 2001		30 November 2000	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible fixed assets	2		-		2,011
<b>CURRENT ASSETS</b>					
Debtors		-		344	
Cash at bank and in hand		18,892		26,393	
		<u>18,892</u>		<u>26,737</u>	
<b>CREDITORS:</b> amounts falling due within one year		(25,793)		(25,942)	
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			(6,901)		795
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		£	<u>(6,901)</u>	£	<u>2,806</u>
<b>CAPITAL AND RESERVES</b>					
Profit and loss account			(6,901)		2,806
		£	<u>(6,901)</u>	£	<u>2,806</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 November 2001 and of its loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on 30/11/02 and signed on its behalf.

Dr Sheila Lawlor  
Director

*Sheila Lawlor*

Sir Brian Williamson CBE  
Director

*Brian Williamson*

The notes on pages 3 to 4 form part of these financial statements.

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**NOTES TO THE ABBREVIATED ACCOUNTS**  
**For the year ended 30 November 2001**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

**1.2 Cash flow**

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective March 2000).

**1.3 Turnover**

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax.

**1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets over their expected useful lives on the following bases:

Office equipment	-	20% straight line
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**1.5 Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on the straight line basis over the lease term.

**1.6 Going concern**

The nature of the company's activities is such that there can be considerable unpredictable variation in the timing of cash inflows; in particular, the company is dependent on the support of FSET, its other charitable donors and individual subscribers. In the experience and opinion of the directors, such support will continue to be forthcoming for the foreseeable future and, on this basis, they therefore consider it appropriate to prepare the accounts on the going concern basis. The financial statements do not include any adjustments that might arise from a shortfall in incoming funds.

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**NOTES TO THE ABBREVIATED ACCOUNTS**  
For the year ended 30 November 2001

**2. TANGIBLE FIXED ASSETS**

	£
<b>Cost</b>	
At 1 December 2000 and 30 November 2001	11,977
<b>Depreciation</b>	
At 1 December 2000	9,966
Charge for the year	2,011
At 30 November 2001	11,977
<b>Net book value</b>	
At 30 November 2001	£ -
At 30 November 2000	£ 2,011

**3. COMPANY STATUS**

The company is a private company limited by guarantee and consequently does not have any share capital. Under its Memorandum and Articles of Association, every member undertakes to contribute to the assets of the company, in the event of its being wound up while a member of the company (or within one year of ceasing to be a member) such amount as may be required not exceeding £1.

**4. RELATED PARTY TRANSACTIONS**

Politeia is a non-profit making company, limited by guarantee, whose principal activity is that of informing and encouraging public discussion on the relationship between the state and the people by way of seminars, conferences and publications. It organises and commissions research and analysis on a number of different subjects relating to the role of the state in the lives of people (eg pensions, education, employment, healthcare, economic and constitutional matters). It applies, where appropriate, for support for such work as is eligible, to the Foundation for Social and Economic Thinking (FSET), which is an education charity established to help fund eligible projects, the Garfield Weston Foundation, the Esmée Fairbairn Foundation and other charitable bodies. It also seeks and wins support from individuals and companies towards organising and holding its public lectures and conferences, and towards sustaining these and its publishing operations.

One of the trustees of FSET, the Reverend Canon Lord Pilkington of Oxenford, is also a director of the company in order to supervise grants made by FSET (see note 2) to the company;